

ENGINEERING & CAPITAL PROJECTS

General Requirements Contracting (GRC) Program

Informational Workshop for SLBE Program

Fiscal Year 2011



GRC OVERVIEW

Fundamentals
of a GRC
Contract

Official City
GRC
Definition

Historical
Background

Purpose



Fundamentals of a GRC Contract

Construction contract that is used “As-needed”

Indefinite scope/quantity of work at time of bid

Procured for Maximum and Minimum dollar value

Procured for Maximum duration of time

Task Orders (projects) assigned “as-needed”

Task Order Pricing defined by Unit Price Book and contractor’s competitively-bid Adjustment Factors

Task orders are firm and fixed price once issued

GRC Definition (aka Job Order Contracting)

A General Requirements Contract (GRC) is a public works contract which contains a unit price book of detailed specifications and unit prices for typical tasks. Specific construction projects are not contemplated or authorized at the time of award. Work is authorized as required by separate task orders (projects).

Historical Background

GRC approved by voters in November 1998

Municipal code Section 22.3103 “General Requirements Contracts”

Contracts must be advertised and competitively bid

Contracts cannot exceed 2 years or \$10M

Contract minimum guarantee cannot exceed \$50k

GRC Contracting implemented by City in 1999! ☺

Purpose

A GRC is a *unit cost construction contract* that is procured by the City for:

- specific trades (electrical, mechanical, right of way pipeline, etc)
- a maximum value
- a specified contract duration

Once a GRC is procured, task orders (construction projects) can be assigned to the GRC contract during the term of the contract or until the maximum dollar value is executed.

GRC Program Overview

*GRC
Program
Overview*

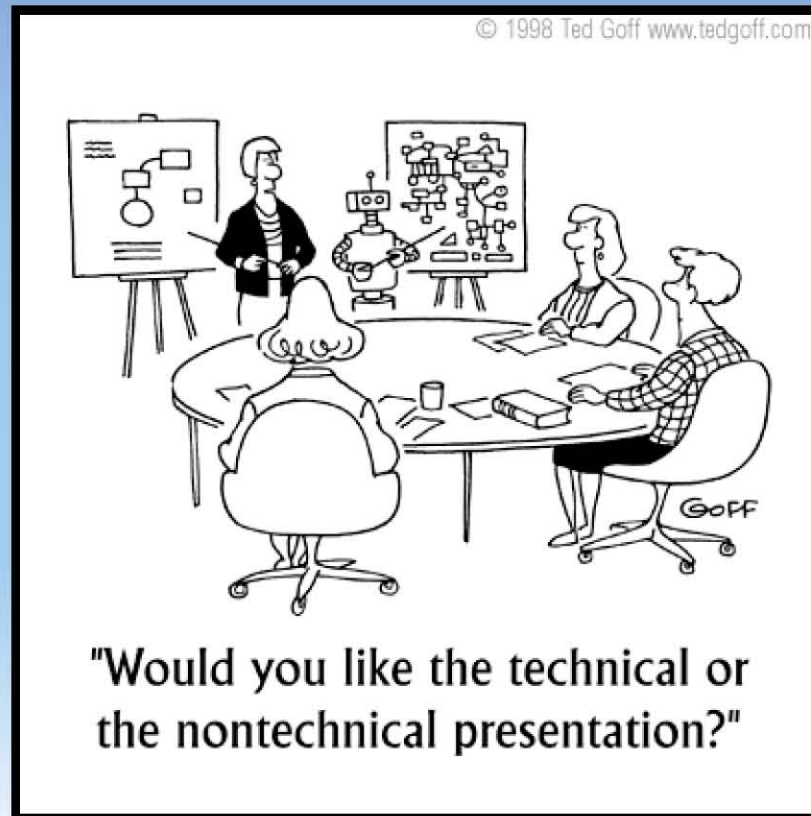
*Proposed
GRC
Contracts*

*GRCS
Program
Overview*

*Proposed
GRCS
Contracts*

*Task Order
Assignment*

The Details of GRC and GRCS



GRC and GRCS Program Overview

Task Orders (Projects) up to \$500,000

- GRC Program = (7 large contracts, \$4.5M/2 yrs ea)
 - Open to San Diego contracting community
 - Task Orders > \$150,000 and up to \$500,000
- GRCS Program = (7 small contracts, \$500k/2 yrs ea)
 - Open to City of S.D. certified SLBE/ELBE contractors
 - Task Orders up to \$150,000



GRC Program

7 contracts by trade up to \$4.5 million/2 years

Task Orders > \$150,000 and up to \$500,000)

GRC Contract Trades proposed for procurement:

- 3 to 6 months:
 - Right of Way Pipeline (A and C34 contractor license)
 - Electrical Systems (A, C7, and C10 contractor license)
- 3 to 9 months:
 - Mechanical Systems (A, C20, and C36 or C42 contractor license)
 - Building Improvements (B and C39 or C11 contractor license)
 - Street Lighting/Traffic Signals (A, C7 and C10 contractor license)
- 6 to 9 months:
 - Roofing (B and C39 contractor license)
 - Sitework (A, C8, and C27 contractor license)



GRC Program

7 contracts by trade up to \$4.5 million/2 years

Task Orders > \$150,000 and up to \$500,000

- Bidding Requirements
 - Prequalification for \$2.25 million via the City's Contractor Prequalification Program (CPC)
 - Bid Bond waived
 - Performance and Labor and Materialmen Bond: \$2.25 million each
 - Possess valid contractor license(s) as specified in contract
- Subcontractor/Vendor Participation requirements
 - 10% Mandatory Subcontractor/Vendor Participation inclusive of SLBE/ELBE participation
 - 5% Mandatory SLBE/ELBE Participation Goal



GRCS Program

7 contracts by trade up to \$500,000/2 years per contract

Only Certified SLBE/ELBE Contractors may bid

Task Orders < or = \$150,000

GRC Contract Trades proposed for procurement:

- 3 to 6 months:
 - Right of Way Pipeline (A or C34 contractor license)
 - Electrical Systems (A or C10 contractor license)
- 3 to 9 months:
 - Mechanical Systems (A or C36 or C42 or C20 contractor license)
 - Building Improvements (B contractor license)
 - Street Lighting/Traffic Signals (A contractor license)
- 6 to 9 months:
 - Roofing (B or C39 contractor license)
 - Sitework (A or C8 or C27 contractor license)



GRCS Program

7 contracts by trade up to \$500,000/2 years per contract

Only Certified SLBE/ELBE Contractors may bid

Task Orders < or = \$150,000

- **Bidding Requirements**
 - City Certification as SLBE or ELBE Contractor
 - Bond letter demonstrating bonding level of \$250k or greater
 - Bid Bond waived
 - Performance and Payment Bond for \$250,000 each
 - Possess valid contractor license(s) as specified in contract documents
- **Subcontractor/Vendor Participation requirements**
 - 10% Voluntary Subcontractor/vendor Participation Goal



GRC Task Order Assignment

- Which program: GRC or GRCS?
 - Task $<$ or $=$ \$150,000 \rightarrow GRCS Program
 - Task $>$ \$150,000 and up to \$500,000 \rightarrow GRC Program
- Which contract or trade (based on majority of work)?
 - Work location
 - Work trade

Example #1: HVAC replacement (estimated at \$50,000) and replacement of thermostat and wiring (estimated at \$500)
 \rightarrow GRCS Mechanical Systems

Example #2: sewer main replacement (est. at \$250k) and replacement of curb ramps incidental to project (est. at \$50k)
 \rightarrow GRC Right of Way Pipeline

Sample Task Orders

- Construction in the **Public Right of Way**
 - Sewer, water and storm drain repairs → ROW Pipeline Contract
 - Street lighting and traffic signal installations → Street Lighting and Traffic Signals Contract
 - Site work such as paving, sidewalks, and curb ramps → Site work Contract
 - Traffic System Improvements (pop outs, crosswalks, loops, etc) → Street Lighting and Traffic Signals, Site work or Electrical Systems based on majority of work.

Sample Task Orders (cont'd)

- Water, Sewer, or Storm water Facility repairs and improvements
 - Pump repair/replacement → Mechanical Systems
 - Electrical repairs → Electrical Systems
- Construction at City Buildings
 - Roofing repair or replacement → Roofing GRC or GRCS
 - Heating, ventilation and air conditioning repairs → Mechanical Systems GRC or GRCS
 - ADA improvements inside or outside building → Building Improvements or Site work depending on majority of work

GRC Procurement Process

Procurement Steps

Contractor Prequalification

Bid Package

Bid Schedule

Contract Award Steps

GRC Procurement Process

- Procurement steps:
 - Advertisement
 - Contractors get prequalified and/or certified
 - Contractors submit bid packages by due date (see Invitation to Bids)
 - Bid opening (see Invitation to Bids)
 - NIA to the lowest responsible and reliable contractor (Apparent Low Bidder).

How does my company prequalify to bid the GRCS Contracts?

- Become SLBE or ELBE certified:
 - Visit the SLBE website:
www.sdsmlcontracts.com
 - Download and submit the SLBE Program Application
- Submit bond letter with bid demonstrating bonding capacity of \$250k or greater
- Possess required California Contractor's licenses



How does my company prequalify to bid the GRC Contracts?

Visit the City's Contractor Prequalification webpage:
<http://www.sandiego.gov/engineering-cip>

ENGINEERING & CAPITAL PROJECTS

ENGINEERING & CAPITAL PROJECTS HOME ABOUT US PROJECTS & PROGRAMS SERVICES FREQUENTLY ASKED QUESTIONS CONTACT INFORMATION

Engineering and Capital Projects

"Working Together to Engineer A Better Tomorrow"



Contact Information

Questions, Comments, Concerns?

Email us at
engineering@sandiego.gov
Or call the
Public Information Line
(619) 533-4207

Did you find the information you were looking for? Was the information helpful?
[Give Us Your Feedback!](#)

I want to...

- See what happened during National Public Works Week
- Locate a construction project on a map
- Get information about major CIP projects
- Get engineering documents and references
- See a List of Upcoming Projects for Bid (PDF)
- Get information about the



The Engineering and Capital Projects Department (E&CP) provides a full range of engineering services for the City's capital investment in various types of infrastructure and provides traffic engineering services to the community.

Featured Projects

- [Alvarado Water Treatment Plant](#)
- [Kellogg Park Green Lot Infiltration Project](#)
- [La Jolla Shores Lifeguard Station Project](#)
- [Lake Murray Trunk Sewer Project](#)
- [Otay Truck Route Widening Project - Phase 3](#)
- [Rancho Peñasquitos Pump Station](#)
- [Water and Sewer Pipeline Projects in Point Loma](#)
- [Water Group Job 3012 - Pacific Beach](#)
- [View all Projects](#)

Consultant/Contractor Information

- [Advertised Capital Improvement Projects](#)
- [Contractor General Information](#)
- [Contractor Pre-Qualification Program](#)
- [Construction Management Academy](#)
- [Consultant Services](#)
- [Engineering Documents and References](#)
- [Small Construction Contract Bid Opportunities](#)

Featured Programs

- [Bicycle Program](#)
- [CIP Access Law Design Compliance](#)
- [Coastal Erosion Assessment Program](#)
- [Pedicab Program](#)
- [Utilities Undergrounding Program](#)
- [View all Programs](#)

Featured Videos

Videos on the City's website require [Windows Media Player](#) for viewing. If you have a disability and need an alternate format of a video presentation, email CityTV at CityTV@sandiego.gov.

- [A Guide to your Right of Way](#)
- [Minor Construction Program/Engineering & General Contractors Association \(MCP/EGCA\) Information](#)
- [Public Works Business Center](#)
- [Red Light Photo Safety](#)

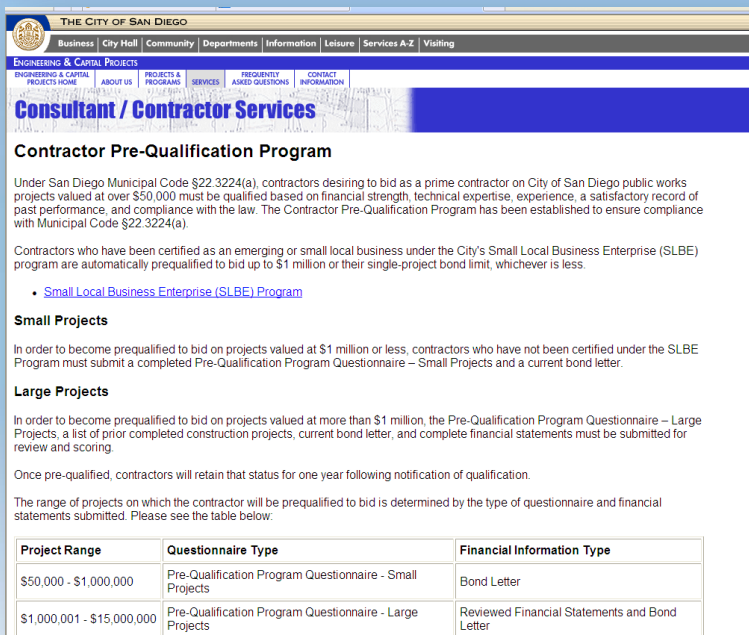


Click Here!



How does my company prequalify to bid the GRC Contracts?

- Download and submit the appropriate prequalification questionnaire.



THE CITY OF SAN DIEGO
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ENGINEERING & CAPITAL PROJECTS
CONSULTANT / CONTRACTOR SERVICES

Contractor Pre-Qualification Program

Under San Diego Municipal Code §22.3224(a), contractors desiring to bid as a prime contractor on City of San Diego public works projects valued at over \$50,000 must be qualified based on financial strength, technical expertise, experience, a satisfactory record of past performance, and compliance with the law. The Contractor Pre-Qualification Program has been established to ensure compliance with Municipal Code §22.3224(a).

Contractors who have been certified as an emerging or small local business under the City's Small Local Business Enterprise (SLBE) program are automatically prequalified to bid up to \$1 million or their single-project bond limit, whichever is less.

- [Small Local Business Enterprise \(SLBE\) Program](#)

Small Projects

In order to become prequalified to bid on projects valued at \$1 million or less, contractors who have not been certified under the SLBE Program must submit a completed Pre-Qualification Program Questionnaire – Small Projects and a current bond letter.

Large Projects

In order to become prequalified to bid on projects valued at more than \$1 million, the Pre-Qualification Program Questionnaire – Large Projects, a list of prior completed construction projects, current bond letter, and complete financial statements must be submitted for review and scoring.

Once pre-qualified, contractors will retain that status for one year following notification of qualification.

The range of projects on which the contractor will be prequalified to bid is determined by the type of questionnaire and financial statements submitted. Please see the table below:

Project Range	Questionnaire Type	Financial Information Type
\$50,000 - \$1,000,000	Pre-Qualification Program Questionnaire - Small Projects	Bond Letter
\$1,000,001 - \$15,000,000	Pre-Qualification Program Questionnaire - Large Projects	Reviewed Financial Statements and Bond Letter

- Submit bond letter and financial statements if required
- Bond letter must demonstrate Maximum Bidding Capacity of \$2.25M or greater
- Possess required California Contractor's licenses



How does my company attain GRC subcontracted work?

- Obtain list of GRC and GRCS Contractors from Purchasing & Contracting website
- Submit letters of interest to GRC and GRCS Contractors
- Communicate with the GRC and GRCS Contractors
- Communicate with your GRC Program Manager, Leigh Ann Sutton, 619-533-3427
- Attend Scope Meetings and submit bids on time



GRCS Bid Package

- Bidder to submit on or before bid opening:
 - Bid Schedule
 - Work Force Report
 - Bond letter for \$250k or greater

GRC and GRCS Bid Schedule

- Two Adjustment Factors (AF) required on Bid Schedule
- AF#1: Normal Working Hours
- AF#2: Other Than Normal Working Hours

Low bidder has the lowest Composite Adjustment Factor (CAF)

$$\text{CAF} = (0.80 \times \text{AF\#1}) + (0.20 \times \text{AF\#2})$$

GRC and GRCS Award Process

- GRC Award Steps:
 - Apparent Low Bidder submits:
 - Bond and Insurance Certificates
 - All documents required in contract
- City issues Notice To Proceed (NTP).....Contract Starts!

GRC Post Award Process

- *Post Award Steps*
- *Secrets to Success*
- *Task Order Process*
- *Proposal preparation*
- *Payment process*



GRC and GRCS

Post Award Process

- After NTP issued to GRC or GRCS Contractor:
 - City conducts Pre-Construction Meeting
 - Contractor submits pre-task submittals
 - City issues Task Orders (projects)

How does my company get task orders?

Secrets to success!

(beyond the contract minimum guarantee of \$50k)

- Meet or exceed timelines established in contract
- Provide excellent customer service
- Provide quality work (word travels)
- Maintain SLBE/ELBE mandatory participation goals
- Provide reasonable proposals
- Be a fair and trustworthy negotiator
- Adhere to the City's Diversity Policies

GRC Contracting is relationship building!



I have a task order! What do I do?

- Attend the Joint Scope Meeting
- Submit RFI's within 7 days
- Submit proposal on or before due date on RFP (usually two weeks or less)
- Respond to the City's proposal comments by due date
- Work diligently and quickly to finalize and sign the proposal (adhere to timelines)
- When (or if) the City issues an NTP, prepare and submit schedules and submittals within deadlines
- Order materials promptly and adhere to schedule
- Communicate, communicate, communicate



GRC and GRCS Proposal Preparation

- Prepare an estimate of work items and quantities
- Search UPB for work items in estimate
- List Pre-priced Items on city spreadsheet or form
- Obtain two quotes for Non-Prepriced Items
- List lowest installed price from quotes on city spreadsheet
- Submit proposal to City on or before due date!

All PP and NPP items are multiplied by the *required quantity* and the *appropriate Adjustment Factor*.



GRC and GRCS Unit Price Books

Prepare and submit proposals online using:

- R.S. Means Cost Works online cost data library
 - Using English units
 - Prices updated quarterly
 - Using labor rates indicated in RFP (Davis Bacon or union labor rates)



How does my company get paid?

- While Tasks are in construction, submit invoices on city-supplied forms monthly ONLY for work that is installed, tested and accepted.
- Contractor payments will be held until:
 - All required paperwork is up to date including certified payroll, monthly employment reports, as-builts, O&M manuals, etc.
 - Any stop notices are properly resolved with the City per the requirements spelled out in the contract documents.
- Valid invoices are processed and paid within 30 days



More information about SLBE:

www.sandiego.gov

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Business Tab

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America's Finest City

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CITIZEN SERVICES DIRECTORY

SIGN UP FOR ALERT SAN DIEGO

INVESTOR INFORMATION

THE ONLY INFORMATION ON THIS WEBSITE
INTENDED FOR THE INVESTOR COMMUNITY

THE CITY OF SAN DIEGO RALLIES FOR THE PADRES!

Support the San Diego Padres by getting a Go Padres placard at any City recreation center, library or the City Administration Building starting Thursday, September 23rd.

[Watch Video of the Press Conference](#)
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MAYOR JERRY SANDERS

MAYOR'S HOME PAGE

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**NO TIME TO WASTE
NO WATER TO WASTE**

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Business Tax Renewal

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Mayor's Office

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Citywide News

- 9/14/10 Mayor Announces Balboa Park Conservancy
 - [Watch Video of the News Conference](#)
- 9/10/10 Mayor Joins Police and Fire Officials for 9/11 Memorial
 - [Watch Video of the News Conference](#)
- 8/31/10 Mayor Applauds Two San Diego Communities for Receiving Sustainability Recognition
 - [Read the Fact Sheet \(PDF\)](#)
- 8/30/10 [Holiday Schedule \(PDF\)](#) for City Offices & Services, Monday, 8/30/10, 9/6/10, 9/13/10

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CityTV LIVE

More information about SLBE:

The City of San Diego Business

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- Bids & Contracts
- Business Assistance
- Capital Improvement Projects
- Charitable Donations
- Investor Information
- Licenses, Permits and Taxes
- Partnership Opportunities
- Payments
- Public Notices
- Real Estate
- Records, Reports & Requests
- Related Web Sites

BUSINESS

The City of San Diego is dedicated to helping foster the region's economic base to improve the quality of life for its citizens and business community.

I WANT TO...

contact:

- [City Purchasing](#)
- [Economic Development Department](#)
- [Development Services](#)
- [Treasurer's Office](#)

review:

- [business license process](#)
- [10 steps to starting your own business](#)
- [bid opportunities](#)
- [official City notices](#)
- [economic development facts and figures](#)
- [the building permit process](#)
- [small business contracts](#)
- [development process](#)

request:

- [zoning information](#)
- [building records](#)
- [a business license](#)
- [charitable donation information](#)

To fulfill legal noticing requirements as stipulated by the City Charter and Municipal Code, the City publishes all legal notices on the [City Bulletin of Public Notices](#).

[Economic Development](#) provides business assistance and creates opportunities for businesses to succeed through many continuing programs and projects.

The [Corporate Partnership Program](#) is an excellent opportunity for corporations in all business sectors. Existing partners, like [Verizon Wireless](#), the City's Official Wireless Partner, offer resources to small and large businesses.

[Development Services](#) provides information on how to build in San Diego and has provided many on-line services such as [SimplePermits](#).

[Equal Opportunity Contracting \(EOC\)](#) monitors City construction and consultant projects for fair payment and employment practices.

The [Redevelopment Agency's 16 redevelopment project areas](#) encompass more than 8,000 acres.

The City of San Diego targets specific communities and neighborhoods for [revitalization](#) to enhance and improve the quality of life for its citizens.

The [Purchasing Division](#) lists current [Bid & Contract Opportunities](#) and offers important [Vendor Information](#) for those interested in doing business with the City of San Diego.

[Live Public Auctions](#): As a cooperative effort between the City and County of San Diego, live public auctions are held three times a year or more. Public auctions are held by the [Police Department](#) on a periodic basis throughout the year.

The San Diego Library's [Business Resources & Technology Link](#) is an outreach program to assist small businesses.

SLBE



Q & A



Contact the City!

**For general info:
Public Information Team
(619) 533-4207**

**For GRC information
Leigh Ann Sutton
Associate Mechanical Engineer
(619) 533-3427**

THANK YOU!

